

31 October 2017

SEPTEMBER QUARTERLY ACTIVITY REPORT

Lindian Resources Limited (“Lindian” or the “Company”) provides the following update to shareholders in respect to the Company’s activities for the September 2017 quarter.

Lushoto Project

During the quarter, Lindian entered into a binding Heads of Agreement (“HOA”) with Batan Australia Pty Ltd (“Batan”) to farm-in and earn a 75% interest in the Lushoto Bauxite Project (“Lushoto”) (see ASX announcement 3 August 2017). Lushoto consists of 6 tenements with a total area of 213 km². Assay results from the first area tested showed very high grade mineralisation with excellent levels of available alumina (54% average using a 40% cut-off) and very low levels of reactive silica (less than 1% average) and other deleterious elements including iron, silica, titanium.

Field work during the quarter was focused on an assessment of the potential of the project to host economic bauxite mineralization. During the due diligence, additional bauxite deposits were identified by geological mapping which was carried out across the tenement area and in the wider Lushoto region. Several of the additional deposits fell outside of the original tenement package and three more tenements were applied for, expanding the potential scale of Lushoto. All 6 deposits are currently being sampled with the first batch of samples sent to ALS for analysis. Once results are returned, Lindian will plan a drilling program to determine the extent of mineralization.

Subsequent to quarter end, a local government and community meeting was held to explain the Company’s activities in the region and resulted in good support for Lindian to continue its exploration.

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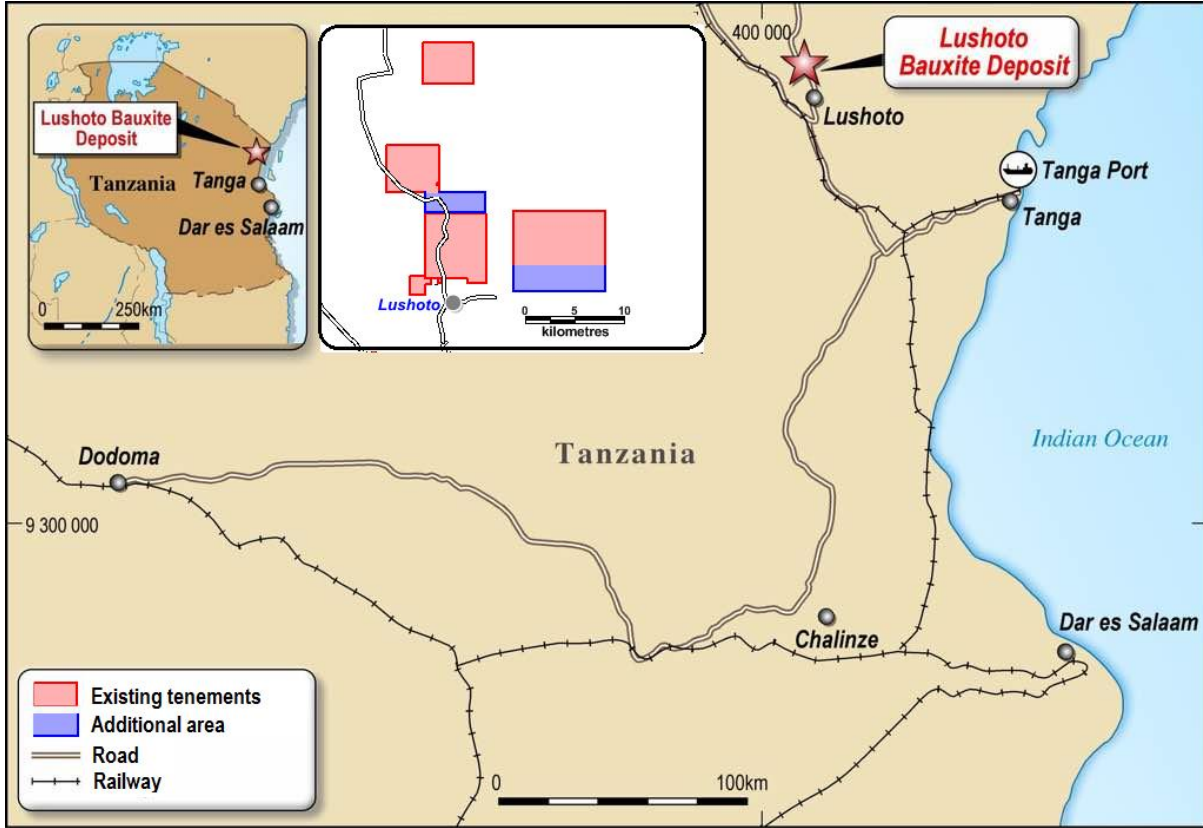


ASX Code : LIN.AX

Enquiries regarding this
announcement can be
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Figure 1 - location of the tenements showing the additional expanded areas as well as the location of road, rail and port infrastructure



The photos below show outcropping mineralisation at the newly identified Malibwi bauxite deposit. Previous excavation has exposed mineralisation several meters thick.

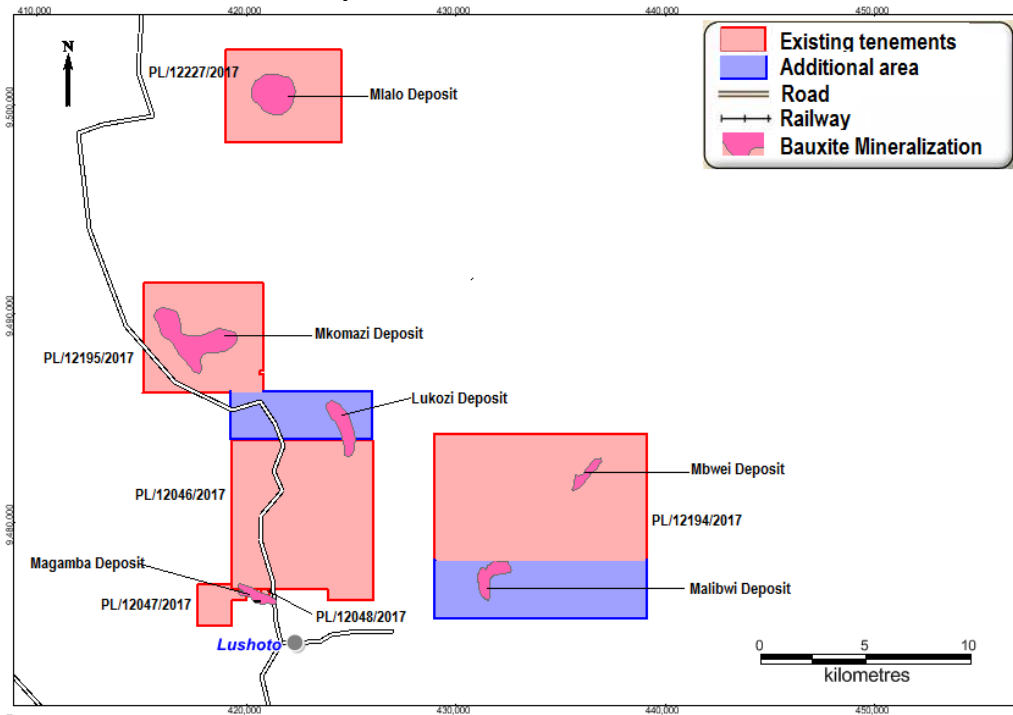
Figure 2 – in country geologist showing outcropping bauxite mineralisation





Figure 3 shows the locations of the 6 deposits identified to date. The current focus of fieldwork is to define drilling targets which will allow the company to define a maiden JORC resource forming the basis of sustaining a long term operation which produces direct shipping ore FOB Tanga Port. All of the tenements are in close proximity (10-15km) to each other and have excellent access to transport infrastructure to the deep water port of Tanga. Drilling is planned to occur in the fourth quarter of 2017.

Figure 3 - The six identified bauxite deposits to scale



Key Stakeholder Meeting

As part of Lindian’s social responsibility programs, a community meeting was held in conjunction with the Lushoto District government authorities. The meeting was run by the Company’s in country geological team and addressed many of the legitimate queries regarding exploration commencing in the region. As a result of the meeting and other initiatives, Lindian is pleased to report the securing of key stakeholder support from the district authorities and is currently working on final target definition for the upcoming drilling program.



Uwoya Gold Project

Lindian continued to advance the Uwoya Gold Project during the quarter with re-logging of the diamond core completed. Geological mapping to identify potential extensions and repetitions on the mineralization was also carried out.

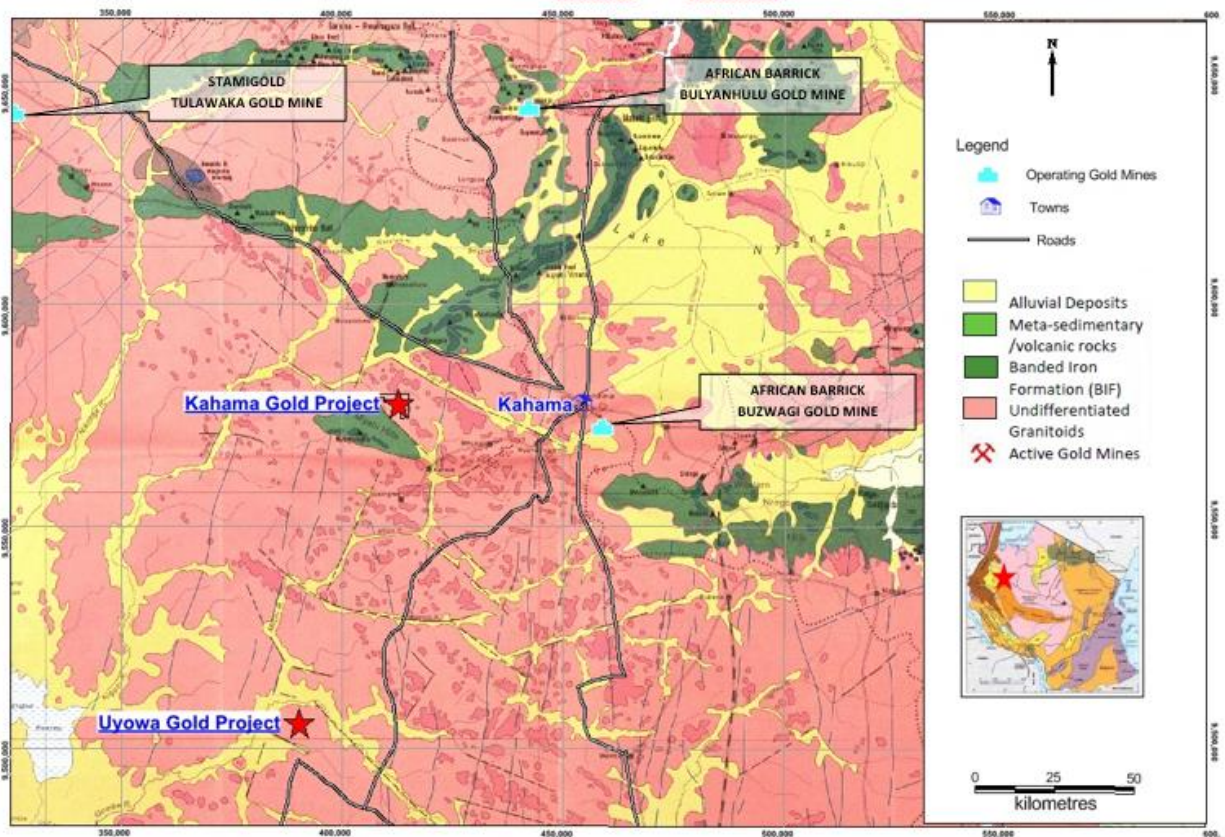


Figure 4 Location of the Uwoya Project applications east of the known gold deposits



Lushoto Bauxite Project Overview

The Lushoto Bauxite deposit was formed by deep weathering of metamorphic rocks of the Mozambique Belt that are exposed in Eastern Tanzania. The mineralisation is situated on plateaus within the Usambara Mountains that have been preserved from a time when mineralisation was more extensive in the area. Assay results to date show low excellent levels of available alumina and very low levels reactive silica and other deleterious elements including iron, silica and titanium.

It should be noted that a University of Dar Es Salaam geological report was completed in 2003 in respect to the Magamba deposit. The report formed the basis of the Company's initial confidence in progressing with the Project. The results of the recent sampling program undertaken were in line with the conclusions of the 2003 report and greatly assist Lindian in its goal of obtaining a maiden JORC resource in Q4 2017.

By order of the Board

Asimwe Kabunga
Chairman
Lindian Resources Limited



Competent Person Statement

The information on the page that relates to Exploration Results is based on information compiled or reviewed by Mr Matt Bull, who is a director of Lindian Resources Limited. Mr Bull is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bull consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Appendix 1 shows the Tenement details and status

Appendix 1

Project	Licence Number	Status	Licence Type	Area
Kahama Project	PL10722/2015	Granted	Prospecting	21.81 km ²
Uyowa Project	PL10918/2016	Granted	Prospecting	27.08 km ²
Uyowa Project	PL11710/2017	Application	Prospecting	84.5 km ²
Uyowa Project	PL11711/2017	Application	Prospecting	141.95 km ²
Uyowa Project	PML15443/CWZ	Application	Primary Mining	0.08 km ²
Uyowa Project	PML15444/CWZ	Application	Primary Mining	0.08 km ²
Uyowa Project	PML15475/CWZ	Application	Primary Mining	0.03 km ²
Uyowa Project	PML15480/CWZ	Application	Primary Mining	0.06 km ²
Uyowa Project	PML15481/CWZ	Application	Primary Mining	0.07 km ²
Uyowa Project	PML15483/CWZ	Application	Primary Mining	0.08 km ²
Uyowa Project	PML15484/CWZ	Application	Primary Mining	0.1 km ²
Uyowa Project*	PML0003473	Granted	Primary Mining	0.08 km ²
Uyowa Project*	PML0003474	Granted	Primary Mining	0.07 km ²
Uyowa Project*	PML0003475	Granted	Primary Mining	0.04 km ²
Uyowa Project*	PML0003476	Granted	Primary Mining	0.05 km ²
Uyowa Project*	PML0003477	Granted	Primary Mining	0.08 km ²
Uyowa Project*	PML0003478	Granted	Primary Mining	0.08 km ²
Uyowa Project*	PML0003479	Granted	Primary Mining	0.08 km ²
Uyowa Project*	PML000044CWZ	Granted	Primary Mining	0.08 km ²
Uyowa Project*	PML000045CWZ	Granted	Primary Mining	0.08 km ²
Uyowa Project*	PML0003469	Granted	Primary Mining	0.08 km ²
Lushoto Project**	PL11176	Granted	Prospecting	0.26 km ²
Lushoto Project**	PL11177	Application	Prospecting	49.3km ²
Lushoto Project**	PL11178	Application	Prospecting	3.64km ²
Lushoto Project**	PL12194	Application	Prospecting	90.25km ²
Lushoto Project**	PL12195	Application	Prospecting	44.94km ²
Lushoto Project**	PL12227	Application	Prospecting	24.87km ²

* Hapa Gold's interest in these licences is subject to completion occurring under an option agreement with the local licence holders. Total cash consideration for acquisition of all 10 PMLs under the option agreement, over a three year period, is US\$400,000

**Due diligence to acquire a 75% interest in the Lushoto Project tenements is currently in progress.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

LINDIAN RESOURCES LIMITED

ABN

53 090 772 222

Quarter ended ("current quarter")

30 September 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(185)	(185)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(152)	(152)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(336)	(336)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

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Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Proceeds from intended issue of shares	-	-
3.10	Net cash from / (used in) financing activities	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	617	617
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(336)	(336)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	281	281

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5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	281	617
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	281	617

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	98
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

6.1 includes directors' fees and directors' consulting fees.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other – Converting loans	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	50
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	100
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	150

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nil			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	Nil			

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Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: ...31 October 2017.....

Company Secretary

Print name:Stephen Brockhurst.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

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